



**LAC  
DMH**  
LOS ANGELES COUNTY  
DEPARTMENT OF  
MENTAL HEALTH

LOS ANGELES COUNTY DEPARTMENT OF MENTAL HEALTH  
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MARVIN J. SOUTHARD, D.S.W.  
Director

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Chief Deputy Director

RODERICK SHANER, M.D.  
Medical Director

April 23, 2013

TO: Each Supervisor

FROM: Marvin J. Southard, D.S.W.  
Director

SUBJECT: **ADVANCE NOTIFICATION OF INTENT TO ENTER INTO SOLE  
SOURCE CONTRACT NEGOTIATIONS WITH A COMMUNITY OF  
FRIENDS (ACOF) FOR FISCAL YEAR (FY) 2013-14**

This memorandum is to comply with the Board of Supervisors Policy Manual, Section 5.100, Sole Source Contract, by notifying the Board of our need to initiate a Sole Source contract. It is the Department of Mental Health's (DMH) intent to enter into sole source contract negotiations with ACOF Step-Out, a 20-bed Transitional Housing Program (THP) located at 2010 East El Segundo Boulevard, Compton, CA 90222.

The Independent Living Program (ILP) is a Countywide collaborative effort between ACOF Step-Out and the Los Angeles County Departments of Children and Family Services (DCFS), Probation, and DMH to provide transitional housing and supportive services to Seriously Emotionally Disturbed (SED) and/or Severe and Persistently Mentally Ill (SPMI) homeless young adults, ages 18-21, who have been in foster care in either the Dependency system or the Juvenile Justice system and have subsequently emancipated and had their Court jurisdiction terminated.

The various funding sources leveraged by ACOF to operate the Step-Out THP are interdependent and, therefore, any changes in funding availability would likely have an immediate impact on the viability of the program. ACOF has demonstrated commitment and initiative by successfully securing and leveraging other funding resources to support the operation of the Step-Out THP.

Planning, developing, and implementing an open solicitation process at this time would put these young adults currently living in the Step-Out THP at immediate risk of homelessness effective July 1, 2013. There is no known option that could be implemented in a timely manner to avoid such a risk.

The Step-Out THP is funded by the DCFS-ILP funding. The program will commence upon execution of the Agreement in FY 2013-14. This Agreement will be funded by an Intrafund Transfer from DCFS-ILP to DMH for a Total Compensation Amount (TCA) of \$136,000.

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Unless otherwise instructed by a Board office within two weeks, DMH will proceed with negotiating a sole source contract Agreement. DMH will work closely with both the Office of the County Counsel and the Chief Executive Office in preparing a new Agreement with ACOF.

MJS:SDT:TB:ma

c: Health Deputies  
Chief Executive Officer  
Executive Officer, Board of Supervisors  
County Counsel  
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Sandra D. Thomas  
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